

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER:
03-25

2. STATE
Minnesota

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE
SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
July 1, 2003

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN

☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN

☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:

42 CFR §§440.170(a) & 447.201(b)

7. FEDERAL BUDGET IMPACT:

a. FFY '03 (\$444.049)

b. FFY '04 (\$1635.846)

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Att. 3.1-A, pp. 72-72c

Att. 3.1-B, pp. 71-71c

Att. 4.19-B, pp. 1-1d, 68-68b

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable):

Att. 3.1-A, pp. 72-72c

Att. 3.1-B, pp. 71-71c

Att. 4.19-B, pp. 1-1d, 68-68a

10. SUBJECT OF AMENDMENT:

Methods and Standards for Establishing Payment Rates; Transportation Services and Rates

11. GOVERNOR'S REVIEW (Check One):

☒ GOVERNOR'S OFFICE REPORTED NO COMMENT

☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

☐ OTHER, AS SPECIFIED:

12. SIGNATURE OF STATE AGENCY OFFICIAL:

// Mary B. Kennedy – signature //

16. RETURN TO:

Stephanie Schwartz

Minnesota Department of Human Services

Federal Relations Unit

444 Lafayette Road No.

St. Paul, MN 55155-3852

13. TYPED NAME:

Mary B. Kennedy

14. TITLE:

Medicaid Director

15. DATE SUBMITTED:

August 29, 2003

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: 8/29/03

18. DATE APPROVED:

3/3/04

PLAN APPROVED – ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

July 1, 2003

20. SIGNATURE OF REGIONAL OFFICIAL:

Cheryl A. Harris

21. TYPED NAME:

Cheryl A. Harris

22. TITLE: Associate Regional Administrator

Division of Medicaid and Children's Health

23. REMARKS:

REC'D RECEIVED

AUG 29

AUG 29 2003

DMCH - MI/MN/WI

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Supersedes: 00-09

ATTACHMENT 3.1-A
Page 72

24.a. Transportation and other services to assure access to covered services:

- Medical transportation must be to or from the site of a covered service to a recipient to be eligible for payment.
- Transportation of a recipient between providers is a covered service with the following limitations:
 - 1) Transportation between two long term care facilities must be medically necessary because the health services required by the recipient's plan of care are not available at the long term care facility where the client resides. There are two exceptions:
 - a) it is an emergency; or
 - b) due to the severe winter and spring of 1997, it is necessary to return a recipient to his or her original long term care facility or to a long term care facility closer to the original facility. This subitem expires February 1, 1998.
 - 2) Transportation between two hospitals must be to obtain a medically necessary service that is not available at the hospital where the recipient was when the medical necessity was diagnosed.
- Payment for transportation of a deceased person is limited to the following circumstances:
 - 1) If a recipient is pronounced dead after medical transportation is called but before it arrives, service to the point of pick-up is eligible for payment.
 - 2) If medical transportation is provided to a recipient who is pronounced dead on arrival, the medical transportation is eligible for payment.
 - 3) If a recipient is pronounced dead before medical transportation is called, medical transportation is not eligible for payment.

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ATTACHMENT 3.1-A
Page 72a

24.a. Transportation and other services to assure access to covered services: (continued)

- To be eligible for the medical assistance payment rate as a life support transportation, the life support transportation must comply with the following:
 - 1) The provider must be licensed under Minnesota Statutes, §§144.802 and 144.804.
 - 2) The recipient's transportation must be in response a 911 emergency call, police or fire department, or an emergency call received by the provider.
 - 3) The medical necessity of the service must be documented by the state report required under Minnesota Statutes, §144.807.
 - 4) Life support transportation that responds to a medical emergency is eligible for payment for no load transportation only if the life support transportation provided medically necessary treatment to the recipient at the pick-up point of the recipient. The payment is limited to charges for transportation to the point of pick-up and for ancillary services.
- ~~Special transportation is a covered service if the provider receives and maintains a current order by the recipient's attending physician, physician assistant, nurse practitioner, or clinical nurse specialist certifying that the recipient has a physical or mental impairment that would prohibit the recipient from safely accessing and using a bus, taxi, other commercial transportation, or private automobile. This requirement does not apply in the case of transportation of a child receiving EPSDT rehabilitative, or personal care services identified in an Individualized Education Plan.~~

Such a recipient must not require life support transportation.

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ATTACHMENT 3.1-A
Page 72b

24.a. Transportation and other services to assure access to covered services: (continued)

Special transportation includes driver-assisted service. Driver-assisted service includes:

- 1) passenger pickup at and return to the recipient's residence or place of business;
- 2) assistance with admittance of the recipient to the medical facility; and
- 3) assistance in recipient securement or in securing of wheelchairs or stretchers in the vehicle.

Payment eligibility of special transportation is subject to the following limitations:

1) The special transportation and special transportation to reach a health service outside the recipient's local trade area is provided to a recipient who has been determined eligible for special transportation because of physical or mental impairment.

2) The cost of special transportation of a recipient who ~~participates in a day training and habilitation program~~ receives day services outside the intermediate care facility for persons with mental retardation is not eligible for reimbursement on a separate claim for payment if transportation expenses are included in the per diem payment to the ~~intermediate care facility for the mentally retarded~~ ICF/MR.

- Transportation by air ambulance shall be eligible for medical assistance payment if the recipient has a life threatening condition that does not permit the recipient to use another form of transportation.
- The following costs related to transportation are not eligible for payment as medical transportation:
 - 1) transportation of a recipient to a hospital or other site of health services for detention that is ordered by a court or law enforcement agency except when life support transportation is a

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ATTACHMENT 3.1-A
Page 72c

24.a. Transportation and other services to assure access to covered services: (continued)

- medical necessity;
 - 2) transportation of a recipient to a facility for alcohol detoxification that is not a medical necessity;
 - 3) no load transportation except as allowed for life support transportation;
 - 4) additional charges for luggage, stair carry of the recipient, and other airport, bus, or railroad transportation services;
 - 5) airport surcharge;
 - 6) federal or state excise or sales taxes on air ambulance services;
 - 7) transportation of a recipient to a non-covered service (e.g., grocery store, health club, place of worship); ~~and~~
 - 8) extra attendant charges for a personal care attendant accompanying a recipient; and
 - 9) separate base rates for the continuation of a special transportation trip beyond the original destination.
- Local agencies approve payment from administrative funds for meals, lodging, or interpreters for the hearing impaired when such services are necessary to obtain necessary covered MA services.

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ATTACHMENT 3.1-B
Page 71

24.a. Transportation and other services to assure access to covered services:

- Medical transportation must be to or from the site of a covered service to a recipient to be eligible for payment.
- Transportation of a recipient between providers is a covered service with the following limitations:
 - 1) Transportation between two long term care facilities must be medically necessary because the health services required by the recipient's plan of care are not available at the long term care facility where the client resides. There are two exceptions:
 - a) it is an emergency; or
 - b) due to the severe winter and spring of 1997, it is necessary to return a recipient to his or her original long term care facility or to a long term care facility closer to the original facility. This subitem expires February 1, 1998.
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- Payment for transportation of a deceased person is limited to the following circumstances:
 - 1) If a recipient is pronounced dead after medical transportation is called but before it arrives, service to the point of pick-up is eligible for payment.
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ATTACHMENT 3.1-B
Page 71a

24.a. Transportation and other services to assure access to covered services: (continued)

- To be eligible for the medical assistance payment rate as a life support transportation, the life support transportation must comply with the following:

- 1) The provider must be licensed under Minnesota Statutes, §§144.802 and 144.804.
 - 2) The recipient's transportation must be in response a 911 emergency call, police or fire department, or an emergency call received by the provider.
 - 3) The medical necessity of the service must be documented by the state report required under Minnesota Statutes, §144.807.
 - 4) Life support transportation that responds to a medical emergency is eligible for payment for no load transportation only if the life support transportation provided medically necessary treatment to the recipient at the pick-up point of the recipient. The payment is limited to charges for transportation to the point of pick-up and for ancillary services.
- ~~Special transportation is a covered service if the provider receives and maintains a current order by the recipient's attending physician, physician assistant, nurse practitioner, or clinical nurse specialist certifying that the recipient has a physical or mental impairment that would prohibit the recipient from safely accessing and using a bus, taxi, other commercial transportation, or private automobile. This requirement does not apply in the case of transportation of a child receiving EPSDT rehabilitative, or personal care services identified in an Individualized Education Plan.~~

Such a recipient must not require life support transportation.

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ATTACHMENT 3.1-B
Page 71b

24.a. Transportation and other services to assure access to covered services: (continued)

Special transportation includes driver-assisted service. Driver-assisted service includes:

- 1) passenger pickup at and return to the recipient's residence or place of business;
- 2) assistance with admittance of the recipient to the medical facility; and
- 3) assistance in recipient securement or in securing of wheelchairs or stretchers in the vehicle.

Payment eligibility of special transportation is subject to the following limitations:

1) The special transportation and special transportation to reach a health service outside the recipient's local trade area is provided to a recipient who has been determined eligible for special transportation because of physical or mental impairment.

2) The cost of special transportation of a recipient who ~~participates in a day training and habilitation program~~ receives day services outside the intermediate care facility for persons with mental retardation is not eligible for reimbursement on a separate claim for payment if transportation expenses are included in the per diem payment to the ~~intermediate care facility for the mentally retarded~~ ICF/MR.

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ATTACHMENT 3.1-B
Page 71c

24.a. Transportation and other services to assure access to covered services: (continued)

medical necessity;

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 - 3) no load transportation except as allowed for life support transportation;
 - 4) additional charges for luggage, stair carry of the recipient, and other airport, bus, or railroad transportation services;
 - 5) airport surcharge;
 - 6) federal or state excise or sales taxes on air ambulance services;
 - 7) transportation of a recipient to a non-covered service (e.g., grocery store, health club, place of worship); ~~and~~
 - 8) extra attendant charges for a personal care attendant accompanying a recipient; and
 - 9) separate base rates for the continuation of a special transportation trip beyond the original destination.
- Local agencies approve payment from administrative funds for meals, lodging, or interpreters for the hearing impaired when such services are necessary to obtain necessary covered MA services.

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ATTACHMENT 4.19-B
Page 1

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES
Other Types of Care

The following is a description of the policy and methods used in establishing payment rates for each type of care and services included in the State plan.

Medical Assistance payment for Medicare crossover claims is equal to the Medicare co-insurance and deductible.

IHS/638 Facilities: Except for child welfare-targeted case management services and relocation service coordination services, services provided by facilities of the Indian Health Service (which include, at the option of a tribe, facilities owned or operated by a tribe or tribal organization, and funded by Title I of the Indian Self-Determination and Education Assistance Act, P.L. 93-638, as amended, or Title V of the Indian Self-Determination and Education Assistance Act, P.L. 106-260, operating as 638 facilities) are paid at the rates negotiated between the Indian Health Service and the Centers for Medicare & Medicaid Services and published by the Indian Health Service in the Federal Register. Child-welfare targeted case management services are paid in accordance with the methodology in item 19.b., child welfare-targeted case management services. Relocation service coordination services are paid in accordance with the methodology in item 19.c, relocation service coordination services.

Outpatient services provided by facilities defined in state law as critical access hospitals (and certified as such by the Centers for Medicare & Medicaid Services) are paid on a cost-based payment system based on the cost-finding methods and allowable costs of Medicare.

Except in the case of critical access hospitals, for obstetric care the base rate is adjusted as follows:

- outpatient hospital obstetric care (as defined by the Department) technical component (provided by outpatient hospital facilities) receives a 10% increase over the base rate.